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Message Text

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FOLLOWING REPEAT BUENOS AIRES 6576 ACTION SECSTATE 6 OCT 76

QUOTE LIMITED OFFICIAL USE BUENOS AIRES 6576

E.O. 11652: N/A
TAGS: ELAB, AR
SUBJECT: LABOR MINISTER DISCUSSES TRADE UNION REORGANIZATION PLANS

REF: MINISTER OF LABOR MEMCON OF SEPTEMBER 14, 1976

1. LABOR MINISTER, BRIG. GEN, HORACIO TOMAS LIENDO, MADE THE FOLLOWING COMMENTS DURING COURSE OF AMBASSADOR'S COURTESY CALL AT LABOR MINISTRY OCTOBER 4: INTERRUPTION OF NORMAL TRADE UNION ACTIVITY WAS A TEMPORARY EMERGENCY MEASURE WHICH THE GOA HAD TO IMPOSE BECAUSE OF THE CONDITIONS WHICH IT FOUND PREVAILING IN THE LABOR MOVEMENT AT THE TIME THE GOVERNMENT CAME TO POWER (SEE PARA 2 BELOW). HE EXPECTED THAT ANOTHER SIX TO EIGHT MONTHS WOULD BE REQUIRED FOR THE GOVERNMENT TO PREPARE AND PUT THE FINAL TOUCHES TO THE NEW LAWS AND REGULATIONS UNDER WHICH THE LABOR MOVEMENT WOULD BE PERMITTED TO FUNCTION AGAIN. THE GROUND RULES WOULD BE PROMULGATED NO LATER THAN THE NEXT ANNUAL CONFER-ENCE OF THE ILO, SCHEDULED TO TAKE PLACE IN JUNE 1977. THE ACTUAL PROCESS OF REORGANIZATION (I.E., ORGANIZING ELECTIONS, ETC.) PERHAPS WOULD NOT BEGIN UNTIL SOME TIME AFTER, BUT THE GROUND RULES FOR NORMALIZING UNION ACTIVITIES WOULD BE
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READY AND MADE PUBLIC BEFORE THE CONFERENCE. IF HE WERE STILL MINISTER NEXT YEAR, HE SAID WITH A SMILE, IT WOULD BE A GREAT

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RELIEF FOR HIM TO ATTEND NEXT YEAR'S CONFERENCE, KNOWING HE WOULD NOT HAVE TO FACE THE CRITICISM FRON INTERNATIONAL LABOR ORGANIZATIONS WHICH HE INITIALLY FEARED HE WOULD HAVE TO CONFRONT DURING HIS ATTENDANCE AT THIS YEAR'S ILO CONFERENCE. IN THE INTERIM, HIS OBJECTIVE AND CONCERN, AND THOSE OF HIS GOVERNMENT, WERE TO ATTEMPT TO ASSUAGE AS MUCH AS POSSIBLE INTERNATIONAL DENUNCIATIONS AGAINST THE TEMPORARY CURTAILMENT OF TRADE UNION LIBERTIES IN ARGENTINA. IN THIS CONNECTION, HE ASKED THE EMBASSY TO CONVEY TO THE AFL-CIO HIS REQUEST FOR CONTINUED FOREBEARANCE ON THE PART OF THE AMERICAN LABOR MOVEMENT AS WELL AS THAT OF THE ICFTU.

2. ON THE SAME DAY, THE LABOR MINISTRY RELEASED A REPORT REVIEWING THE GOVERNMENT'S FIRST SIX MONTHS OF ACTIVITIES IN THE LABOR FIELD. ACCORDING TO PRESS ACCOUNTS, THE MINISTRY DOCUMENT CONTAINED THE FOLLOWING POINTS:

(A) UPON TAKING POWER ON MARCH 24, 1976, THE GOVERNMENT FOUND THE TOP LEADERS OF THE LABOR MOVEMENT HELD POLITICAL DECISION-MAKING POWER IN THEIR HANDS. THEY WIELDED ENORMOUS ECONOMIC POWER WHICH THEY MANIPULATED FOR PERSONAL AND POLITICAL ENDS. THEY EXERCISED THIS POWER IN AN ARBITRARY AND HIGHHANDED MANNER, EXLUDING HONEST UNION LEADERS FROM THE PROCESS, FACILITATING THE INFILTRATION OF "REBELLIOUS AND EVEN SUBVERSIVE ELEMENTS" IN UNION JOBS, DIPPING THEIR HANDS IN TRADE UNION TREASURIES AND SOCIAL PROJECT FUNDS, ETC. THE GOVERNMENT'S RESPONSE WAS TO SUSPEND TRADE UNION ACTIVITIES, INTERVENE THE CGT AND THOSE UNIONS MOST INVOLVED IN CONFLICTS AND/OR SUSPECTED OF INVOLVEMENT IN ILLEGAL ACTIVITIES. WHILE FREEING THE GOVERNMENT'S HAND TO TAKE CORRECTIVE ACTION, THESE MEASURES DID NOT LEAVE THE WORKER RANK AND FILE UNPROTECTED, INASMUCH AS UNION REPRESENTATIVES ARE STILL PERMITTED TO PERFORM THEIR DUTIES WITHIN CERTAIN SPECIFIED LIMITATIONS.

(B) THE SUSPENSION OF TRADE UNION ACTIVITIES IS OF A TEMPORARY CHARACTER. THESE ACTIVITIES WILL BE RENEWED GRADUALLY AND UNDER LEGAL RULES WHEN THE CONDITIONS EXISTING ON MARCH 24 HAVE BEEN ELIMINATED. THE UNIONS WHICH WILL BE ALLOWED TO ENGAGE IN NORMAL TRADE UNION ACTIVITIES WILL BE THOSE WHICH
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BEST MEET THE NECESSARY CONDITIONS FOR RETURNING TO NORMALCY.

(C) THE GOVERNMENT'S RESPONSE TO THE PREVAILING SITUATION IT FOUND ON MARCH 24 OF CORRUPT AND UNREPRESENTATIVE LEADERS WAS TO PROMULGATE LAW NO. 21356. THIS LAW SUSPENDED THE HOLDING OF ELECTIONS IN THE UNIONS, AUTHORIZED THE LABOR MINISTRY TO EXTEND THE CURRENT MANDATES OF THE UNION LEADERS AND PERMITTED THE MINISTRY TO REPLACE LOCAL SHOP STEWARDS AND OTHER UNION OFFICERS WHENEVER THEY WERE UNABLE, FOR WHATEVER REASONS, TO CONTINUE PERFORMING THEIR ACTIVITIES. THE RESULTS OF THIS MEASURE ARE

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STILL BEING ASSESSED, BUT IT IS BELIEVED THAT THEY WILL PERMIT
A THOROUGH HOUSECLEANING OF THE GUILTY PARTIES AT ALL THE LEVELS.

(D) AS FOR THE REFORM OF THE BASIC TRADE UNION LAW (LEY DE
ASOCIACIONES PROFESIONALES) CURRENTLY UNDER WAY, THE NEW RULES
WILL BE IN CONFORMITY WITH THE NATIONAL GOALS BEING SET FOR THE
COUNTRY. THE TWO BASIC PRINCIPLES WHICH WILL GOVERN ARE: LIBERTY
AND EQUALITY.

(E) AS FOR LABOR-MANAGEMENT RELATIONS, THE GOVERNMENT FOUND A
TOTAL LACK OF EQUILIBRIUM ON MARCH 24, AS INORDINATE, ARBITRARY
POWER WAS BEING WIELDED BY THE UNIONS WITHOUT ANY ATTEMPT BY
THE STATE TO ACT AS AN IMPARTIAL ARBITER. THE GOVERNMENT
RESPONDED WITH LAW NO. 21297, WHICH MODIFIED THE RUQES OF
COLLECTIVE CONTRACT, AS PROMULGATED IN LAW NO. 20744.
LAW NO. 21297 HAS PRODUCED THE FOLLOWING RESULTS: (1) AN
HORMONIOUS APPLICATION OF JURIDICAL RULES WITH REGARD TO INDIVI-
DUAL WORK CONTRACTS, WITHOUT CURTAILMENT OF THE LEGITIMATE
RIGHTS OF THE WORKERS; (2) RE-ESTABLISHMENT OF THE PRINCIPLE
OF EQUALITY BETWEEN LABOR AND MANAGEMENT; (3) ELIMINATION
OF SITUATIONS OF PRIVILEGE PROVOKED BY LEGISLATION PROVIDING
FOR EXCESSIVE PROTECTION FOR THE WORKER (AS IN THE CASE OF
GREATER POSSIBILITIES FOR THE EMPLOYMENT OF WOMEN); AND (4)
OBTENTION BY THE EMPLOYERS OF A GREATER ABILITY TO MANAGE, AND
ENFORCE WORKER DISCIPLINE WITHIN, THEIR PLANTS.
3. ALSO ON OCTOBER 4, SEGBA, THE BUENOS AIRES LIGHT AND POWER
FACILITY, ANNOUNCED THE DISMISSAL OF OVER 200 EMPLOYEES WHOSE
SERVICES WERE NO LONGER DEEMED NECESSARY. AMONG THOSE DISMISSED
REPORTEDLY WERE LUZ Y FUERZA UNION LEADERS OSCAR SMITH, HUGO CARUSO,
PASCUAL FAMA, AND MANY OTHER UNION OFFICERS.
SEGBA REPORTEDLY HAS EXPERIENCED SPORADIC SLOW-
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DOWNS AND ISOLATED INCIDENTS OF SABOTAGE IN RECENT WEEKS WHICH
ARE RELATED TO GROWING WORKER DISSATISFACTION OVER MANAGEMENT
PROPOSALS TO CHANGE THE EXISTING COLLECTIVE AGREEMENT. (SEE SEPTEL).

4. FURTHER ANALYSIS OF THESE DEVELOPMENTS WILL FOLLOW.
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